

**USEPA WILL CONDUCT PUBLIC MEETING ON JULY 2, 2002, TO
ANSWER QUESTIONS ON THE BANKRUPTCY SETTLEMENT
AFFECTING THE NORTH HOLLYWOOD DUMP SITE
MEMPHIS, TN**

The U.S. Environmental Protection Agency has scheduled a **public meeting on Tuesday, July 2, 2002, beginning at 7 PM in the Hollywood Community Center, 1560 Hollywood Street, Memphis.** The purpose of the July 2nd meeting is to discuss the bankruptcy settlement and to respond to oral comments presented at the meeting concerning the settlement. The meeting has been scheduled to comply with Section 7003 of the Solid Waste Disposal Act. Whenever the United States Government or the EPA Administrator proposes a settlement which includes a covenant under the Resource Conservation & Recovery Act (RCRA) Section 7003, an opportunity to have a public meeting in the area affected by the settlement must be provided. An opportunity for the public to provide comments on the proposed settlement will also be provided. A Section 7003 covenant is being given to Velsicol in this settlement only for seven Superfund Sites - the North Hollywood Dump being one of the seven. None of these Sites are operating facilities. This covenant has no effect on Velsicol's liability for any other Site presently being operated by Velsicol. Liability of debtors Fruit of the Loom (FTL) and NWI Land Management is being discharged and resolved through the bankruptcy process and settlement.

NWI Land Management assumed and FTL agreed to indemnify Velsicol's liability for the North Hollywood Dump Site as a condition of the management buy out of Velsicol in 1986. The City of Memphis and NWI Land Management, a subsidiary of Fruit of the Loom, have each paid half of all ongoing costs associated with the North Hollywood Dump Site since then. Payments by the City and NWI are deposited into a trust fund set up under the terms of the existing Consent Decree for the site. Site costs are drawn from this trust, which currently has a balance of approximately \$500,000. The bankruptcy of Fruit of the Loom and its NWI subsidiary, has resulted in large environmental liabilities, including the 50% cost share at the North Hollywood Dump Site, reverting to Velsicol. Velsicol does not have the financial ability to cover these liabilities. Once the Settlement Agreement has been finalized, funds can be obtained from the Custodial Trust in order to pay for the continuing costs at the North Hollywood Dump Site. A motion to modify the Consent Decree for the Site will be filed to reflect this new arrangement.

The North Hollywood Dump operated as a municipal landfill from the 1930s until the City closed it in 1967. A remedial action was taken at the Site and completed in 1996. The Site was deleted from the NPL in 1997. Ongoing monitoring and maintenance activities continue.

Contact Names:

1. Kevin Beswick, U.S. EPA, (404) 562- 9580 - call for questions concerning the bankruptcy settlement
2. Richard Campbell, U.S. EPA Site Project Manager, (404) 562-8825 - call for questions concerning technical issues related to the North Hollywood Dump Site

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